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TO:913017134408

P.2/4

## FEDERAL ENERGY REGULATORY COMMISSION WASHINGTON, D.C. 20426 November 20, 2007

OFFICE OF ENERGY PROJECTS

In Reply Refer To:
OEP/DG2E/Gas Branch 1
Weaver's Cove Energy, LLC
Docket Nos. CP04-36-000 and
CP04-41-000

Brett Grosko, Attorney-Advisor
c/o Office of the General Counsel
for Ocean Services
National Oceanic and Atmospheric Administration
U.S. Department of Commerce
1305 East-West Highway, SSMC IV, Suite 6111
Silver Spring, Maryland 20910

Re: Request for Comments on Two Administrative Appeals Brought by Weaver's Cove Energy, LLC and Mill River Pipeline, LLC Pursuant to the Coastal Zone Management Act.

Dear Mr. Grosko:

On October 24, 2007, your office requested the comments of the Federal Energy Regulatory Commission (Commission) on two administrative appeals brought by Weaver's Cove Energy, LLC (Weaver's Cove) and Mill River Pipeline, LLC (Mill River) pursuant to the Coastal Zone Management Act (CZMA). Both Weaver's Cove and Mill River request that the Secretary of Commerce override the Massachusetts Office of Coastal Zone Management's objections to consistency certifications for Weaver's Cove's liquefied natural gas (LNG) import terminal and Mill River's associated pipelines in Bristol County, Massachusetts (collectively referred to as the Weaver's Cove LNG Project).

On July 15, 2007, the Commission issued an order approving the Weaver's Cove LNG Project after an extensive analysis of the project under the Natural Gas Act (NGA) and other statutes, including the National Environmental Policy Act of 1969 (NEPA). The Commission's approval was conditioned on compliance with a number of environmental and safety conditions.

P.3/4

Based on its review, the Commission concluded that the project is in the public interest to meet the growing demand for natural gas in the New England region. The project will contribute to New England's energy security, a particularly vital national consideration at the present time in light of what we have learned from the energy infrastructure disruptions related to hurricanes Katrina and Rita. The Weaver's Cove LNG Project will also increase the diversity of available natural gas transportation options and provide access to new energy supply sources. Moreover, the project will increase overall regional infrastructure reliability and offer an additional source of outage protection to an area which is rapidly growing and where gas supply is in high demand.

The Commission's analysis also included an exhaustive study of the project's environmental impacts. This analysis focused in particular on the impact the proposed project would have on the Taunton River and Mount Hope Bay, the matter which is the subject of the instant appeal to the Secretary. The Commission's environmental review, which was fully and carefully conducted in a public process, concluded that the project would have limited adverse environmental impact with the implementation of the mitigation measures conditioned in the Commission order. The Commission examined a number of alternatives to the Weavers Cove Project LNG Project, but found that none was preferable to the proposed action and that each alternative presented its own unique set of impacts. The Commission has also adopted measures to assure detailed consideration of safety and security issues regarding both the proposed LNG import terminal and related LNG vessel operations.

Having conducted a wide-ranging analysis of the need for this project and its environmental impacts, the Commission concluded that the project is required in the public interest to develop the nation's energy infrastructure and to increase the reliability and security of the supply of natural gas to New England. While the Commission recognizes that the development and construction of LNG facilities present significant environmental and safety challenges, the Commission balanced these considerations with its overriding responsibility under the NGA to ensure the timely development of an adequate, reliable energy infrastructure.

Pursuant to section 15 of the NGA, the Commission acts as the lead agency for coordinating all applicable authorizations and for complying with NEPA. The Commission is also required to set schedules for the issuance of all federal authorizations for natural gas infrastructure proposals, and to maintain a consolidated record of all decisions made with respect to any federal authorization. Such record shall be the record for appeals or reviews under the CZMA or judicial review under section 19(d) of the NGA. It is my understanding that the consolidated records for these projects were provided to your office by Weaver's Cove and Mill River on August 27, 2007.

P.4/4

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Thank you for the opportunity to comment on this matter. If you have any questions or require any additional information, please do not hesitate to contact me.

Sincerely,

J. Mark Robinson

Director

Office of Energy Projects

Public File, Docket Nos. CP04-36-000 and CP04-41-000